



General Assembly

**Substitute Bill No. 397**

February Session, 2014



**AN ACT CONCERNING THE CONNECTICUT HIGHER EDUCATION TRUST.**

Be it enacted by the Senate and House of Representatives in General Assembly convened:

1 Section 1. 12-701a of the general statutes is repealed and the  
2 following is substituted in lieu thereof (*Effective July 1, 2014, and*  
3 *applicable to taxable years commencing on or after January 1, 2014*):

4 The maximum annual modification under subparagraph (B)(xiii) of  
5 subdivision (20) of subsection (a) of section 12-701, as amended by this  
6 act, shall be equal to the amount of contributions to all accounts  
7 established pursuant to any qualified state tuition program, as defined  
8 in Section 529(b) of the Internal Revenue Code, established and  
9 maintained by this state or any official, agency or instrumentality of  
10 the state, but shall not exceed five thousand dollars for each individual  
11 taxpayer for each child's of whose such an account has been  
12 established, provided such modification shall not exceed ten thousand  
13 dollars, or ten thousand dollars for taxpayers filing a joint return for  
14 each child of whose such an account has been established, provided  
15 such modification shall not exceed twenty thousand dollars. Any  
16 amount of a contribution that is not subtracted by the taxpayer in the  
17 year for which the contribution is made, on or after January 1, 2006,  
18 may be carried forward as a subtraction from income for the  
19 succeeding five years; provided the amount subtracted shall not

20 exceed the maximum allowed in each subsequent taxable year.

This act shall take effect as follows and shall amend the following sections:		
Section 1	<i>July 1, 2014, and applicable to taxable years commencing on or after January 1, 2014</i>	New section

**BA**

*Joint Favorable Subst. C/R*

**FIN**